

Goshen Tank Incident

On March 7, 2010, the ORRICO-Eugene (Goshen) tank was full of used oil, ready to be shipped to a processing facility. In accordance with the company's policy of testing for PCBs, the tank was locked down and sampled. Additionally, since the processing facilities in Portland were shut down due to PCB contamination stemming from a generator in Utah, it was decided that the tank would be tested not just for PCBs, but for all EPA On-Specification Parameters. If the tank was deemed "On-Spec" by the analytical, it could be shipped to a customer.

On Sunday, March 7, the sample was pulled by David Briggs, and sent to Summit Environmental Technologies for testing. The lab received the sample on Tuesday, March 9. The analytical results were reported to ORRICO on Wednesday, March 10. The report showed a PCB result of 160 ppm (Laboratory ID Number: 1003227-01). This was the first knowledge of PCB contamination at the Eugene site.

Records were pulled in Portland as to when loads were shipped out of Eugene, and where they were sent to. There were a total of 5 loads shipped from Eugene to Klamath Falls in the previous month (2/9, 2/16, 3/1, 3/2, and the morning of 3/4). These retain samples were pulled and tested to evaluate when the contamination may have been picked up. All 5 of these retain samples came back non-detect for PCBs (Laboratory ID Number: 1003387-01-05), which would indicate that the contamination was picked up at some time on 3/4 or 3/5.

Mike Miller's pick ups were printed from those days (see attached incoming ledger by driver). Mike's supervisor, Mr. David Briggs, was contacted and asked to gather Mike's retain samples, and talk with Mike about any specific account that may be more likely to have PCB oil than another.

Mike stated that there were two customers that would be likely suspects: Schnitzer Steel, and Pacific Recycling. Samples were collected from each of these sites, and sent to the laboratory for analysis of PCBs on 3/11. On Friday, March 12, the results came back from the laboratory, and showed Schnitzer Steel's samples to be non-detect, but Pacific Recycling's sample came back with 288 ppm.

When Mike Miller brought the samples up to Portland to be sent to the laboratory, it was noted that Mike himself signed the bills of lading. When asked why, he stated that there was an

agreement between Rod Schultz (site manager), that Mike was approved to sign the bills of lading and profiles on their behalf, as many times the only people onsite were non-English speaking employees. Mike would receive a call from Rod, stating that they were ready for a pick up. Mike would then go to their yard, and pump oil from their yard truck (which was actually sold to them by ORRCO several years ago).

I asked Mike how we knew this was true? He contacted Rod Schultz over the phone, and asked Rod to send him an updated profile, and a statement explaining that Mike was authorized to come onto the site, pump oil, and sign documentation on their behalf (see attached letter from Andy Anthony at Pacific Recycling).

From:

03/10/2010 16:07

#688 P.003/003



SUMMIT
ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

March 10, 2010

LABORATORY REPORT

1/1

Client: Industrial Oils, Inc.
Address: 1291 Laverne Ave.
Klamath Falls, OR 97603

Date Collected: 03/07/2010
Date Received: 03/09/2010
Project #: Goshen Tank
Client ID #: Goshen Tank
Laboratory ID #: 1003227-01
Matrix: Liquid

<u>Parameter</u>	<u>Method</u>	<u>Results</u>	<u>Date of Analysis</u>
Arsenic	6010	<1.0ppm	03/09/2010
Ash	D482-02	0.48%	03/10/2010
BTU/lb	D-240-09	17745/lb	03/09/2010
Cadmium	6010	0.17ppm	03/09/2010
Chromium	6010	<4.0ppm	03/09/2010
Flash Point	1010	82°F	03/10/2010
Lead	6010	24.0ppm	03/09/2010
PCB	8082	160ppm	03/09/2010
Sulfur, Wt%	D-4294	0.1395%	03/10/2010
Total Halogen, PPM	9075	526ppm	03/10/2010

Laboratory Manager: R. Shivers

"Analytical Integrity" • EPA Certified • NELAP Certified
3310 Win Street • Cuyahoga Falls, Ohio 44223 • Phone: 330-253-8211 • Fax: 330-253-4489
Web Site: www.reftek.com

Tel: 330.253.8211 Fax: 330.253.4489

Analysis Request/Chain of Custody

For Summit Environmental Technologies, Inc. use only

Page _____ of _____. SET No. _____

SET No.

Client Name Industrial Oil Inc		Project Name Goshen		Grab	Composite	Matrix: S=Solid, L=Liquid, O=Oil SL=Sludge, A=Air	Preservative	Number of Containers	Analytical Parameters and Methods			
Client Address 1291 Laverne Ave Klamath Falls, OR 97603		Project Address SAME							PCB's	SAME DAY		
Client Phone No. 541 884-9124		Report to Jessie Murrell										
Client Fax No. 541 885 6919		PO#										
Contact Person Jessie Murrell		Quote No.										
Sampled by Jessie Murrell		Check if Ohio VAP samples <input type="checkbox"/>										
#	Sample Identification	Date Collected	Time Collected									

1	T209004	2/9/10	N/A	X	L	N/A	1	X					X	
2	T216003	2/16/10	N/A	X	L	N/A	1	X					X	
3	T301003	3/1/10	N/A	X	L	N/A	1	X					X	
4	T302002	3/2/10	N/A	X	L	N/A	1	X					X	
5	T304002	3/4/10	N/A	X	L	N/A	1	X					X	
1003387-01-05														

Relinquished by:	Date	Time	Received by:	Date	Time
Jessie Murrell	3/10/10	2:45			
Received in lab by:	Date	Time	Rush Requested: _____ Days		
SEAN M	3/11/10	10:45A	Must be approved by lab manager		

Notes/Comments:

White and yellow pages should accompany samples to the laboratory. The client retains the pink page.

10005

GOSHEN LOADS INTO IOI, TO EVALUATE THE TIME FRAME OF POSSIBLE CONTAMINATION - THIS SHOWS NO CONTAMINATION FROM GOSHEN WENT TO IOI.

Summit Environmental Technologies, Inc. .
Cooler Receipt Form

Client: Industrial Oil Order Number: 1003387

Date Received: 3/11/10 Time Received: 10:45A

Number of Coolers/Boxes: 1 N/A

Shipper: FED EX UPS DHL Airborne US Postal Walk-in Pickup Other: _____

Packaging: Peanuts Bubble Wrap Paper Foam None Other: Cotton

Tape on cooler/box: (Y) N N/A

Custody Seals intact (Y) N N/A

C-O-C in plastic Y (N) N/A

Ice _____ Blue ice _____ present / absent / melted (N/A)

Sample Temperature 17.3 °C N/A

C-O-C filled out properly (Y) N N/A

Samples in separate bags Y (N) N/A

Sample containers intact* (Y) N N/A

*If no, list broken sample(s): _____

Sample label(s) complete (ID, date, etc.) (Y) N N/A

Label(s) agree with C-O-C (Y) N N/A

Correct containers used (Y) N N/A

Sufficient sample received (Y) N N/A

Bubbles absent from 40 mL vials** Y N (N/A)

** Samples with bubbles less than the size of a pea are acceptable.

Was client contacted about samples Y N

Will client send new samples Y N

Client contact: _____

Date/Time: _____

Logged in by: _____

Comments: _____



SUMMIT
ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

LABORATORY REPORT

Client

Industrial Oils, Inc.
1291 Laverne Ave.
Klamath Falls, OR 97603

Order Number

1003387

Project Number

Goshen Tank

Issued

Thursday, March 11, 2010

Total Number of Pages

8 (excluding C.O.C. and cooler receipt form)

Approved By :

QA Manager

NELAC Accreditation #E87688



SUMMIT
ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

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Sample Summary

Client: Industrial Oils, Inc.

Order Number: 1003387

Laboratory ID	Client ID	Matrix	Sampling Date
1003387-01	T209004	Liquid	02/09/2010
1003387-02	T216003	Liquid	02/16/2010
1003387-03	T301003	Liquid	03/01/2010
1003387-04	T302002	Liquid	03/02/2010
1003387-05	T304002	Liquid	03/04/2010

Report Narrative

Client: Industrial Oils, Inc.

Order Number: 1003387

No problems were encountered during analysis of this order number, except as noted.

Data Qualifiers:

B = Analyte found in the method blank
J = Estimated concentration of analyte between MDL (LOD) and Reporting Limit (LOQ)
C = Analyte has been confirmed by another instrument or method
E = Analyte exceeds the upper limit of the calibration curve.
D = Sample or extract was analyzed at a higher dilution
X = User defined data qualifier.
S = Surrogate out of control limits
U = Undetected
a = Not Accredited by NELAC

ND = Non Detected at LOQ
DF = Dilution Factor

Limit Of Quantitation (LOQ) = Laboratory Reporting Limit (not adjusted for dilution factor)
Limit Of Detection (LOD) = Laboratory Detection Limit

Estimated uncertainty values are available upon request.

The test results meet the requirements of the NELAC standard, except where noted. The information contained in this analytical report is the sole property of Summit Environmental Technologies, Inc. and that of the client. It cannot be reproduced in any form without the consent of Summit Environmental Technologies, Inc. or the client for which this report was issued. The results contained in this report are only representative of the samples received. Conditions can vary at different times and at different sampling conditions. Summit Environmental Technologies, Inc. is not responsible for use or interpretation of the data included herein.

Matrices:

A = Air
C = Cream
DW = Drinking Water
L = Liquid
O = Oil
SL = Sludge
SO = Soil
S = Solid
T = Tablet
TC = TCLP Extract
WW = Waste Water
W = Wipe



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ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

March 11, 2010

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Client: Industrial Oils, Inc.
Address: 1291 Laverne Ave.
Klamath Falls, OR 97603

Date Collected: 02/09/2010
Date Received: 03/11/2010
Project #: Goshen Tank
Client ID #: T209004
Laboratory ID #: 1003387-01
Matrix: Liquid

<u>Parameter</u>	<u>Method</u>	<u>Results</u>	<u>Date of Analysis</u>
PCB	8082	<1.0ppm	03/11/2010



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ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

March 11, 2010

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Client: Industrial Oils, Inc.
Address: 1291 Laverne Ave.
Klamath Falls, OR 97603

Date Collected: 02/16/2010
Date Received: 03/11/2010
Project #: Goshen Tank
Client ID #: T216003
Laboratory ID #: 1003387-02
Matrix: Liquid

<u>Parameter</u>	<u>Method</u>	<u>Results</u>	<u>Date of Analysis</u>
PCB	8082	<1.0ppm	03/11/2010



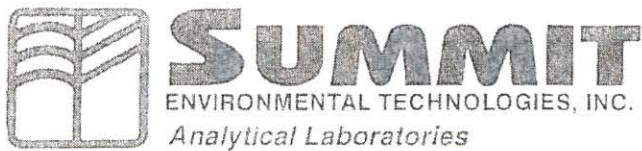
March 11, 2010

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Client: Industrial Oils, Inc.
Address: 1291 Laverne Ave.
Klamath Falls, OR 97603

Date Collected: 03/01/2010
Date Received: 03/11/2010
Project #: Goshen Tank
Client ID #: T301003
Laboratory ID #: 1003387-03
Matrix: Liquid

<u>Parameter</u>	<u>Method</u>	<u>Results</u>	<u>Date of Analysis</u>
PCB	8082	<1.0ppm	03/11/2010



March 11, 2010

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Client: Industrial Oils, Inc.
Address: 1291 Laverne Ave.
Klamath Falls, OR 97603

Date Collected: 03/02/2010
Date Received: 03/11/2010
Project #: Goshen Tank
Client ID #: T302002
Laboratory ID #: 1003387-04
Matrix: Liquid

<u>Parameter</u>	<u>Method</u>	<u>Results</u>	<u>Date of Analysis</u>
PCB	8082	<1.0ppm	03/11/2010



March 11, 2010

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Client: Industrial Oils, Inc.
Address: 1291 Laverne Ave.
Klamath Falls, OR 97603

Date Collected: 03/04/2010
Date Received: 03/11/2010
Project #: Goshen Tank
Client ID #: T304002
Laboratory ID #: 1003387-05
Matrix: Liquid

<u>Parameter</u>	<u>Method</u>	<u>Results</u>	<u>Date of Analysis</u>
PCB	8082	<1.0ppm	03/11/2010

Headquarters
4150 N. Suttle Road
Portland, Oregon 97217
Phone 503-286-8352
Toll Free 800-367-8894
EPA# ORD980975692



Oil Re-Refining
Company®

Eugene, OR: EPA# ORQ000024941
Hoquiam, WA: EPA# WAD988519419
Klamath Falls, OR: EPA# ORD98098075
Kennewick, WA: EPA# WAH000007
Medford, OR: EPA# ORD987197092
North Bend, OR: EPA# ORD980978266
Salt Lake City, UT: EPA# UTD982589459
Spokane, WA: EPA# WAH000011585

BILL OF
LADING

230151

Date: 3-4-10 Customer ID Number: 11254
Dispatch #:

Generator	Pacific Recycling		Rd 2		461-3443			
	Name	3300 Cross St	Contact Person	Emil	Phone	Law		
Transportation	Address		City	State	Zip	County		
	3300 Cross St		Emil	OR	97402	Law		
Billing Address	Consigned To: FPI					Check#		
	Destination: 4100 S. ME RD PORT OR					PO#		
Billing Address	Via Carrier: ORRICO					Profile Date: 10-15-09		
	Driver: Mike Truck # 4737 Miles Run:					Load Ticket # 4100304001		
Gal./Brl.	Description	Sniffer P / F	CDT / HCDT	pH	Flash Point	Rate per Gal./Brl.	Rate per Hour	Charge
1000	used oil	P		7.12				N/C
Above material being transported for Recycling EPA# None						Total: N/C		
Customer warrants that the waste petroleum products being transferred by the above collector do not contain any contaminants including, without limitation, pesticides, chlorinated solvents at concentrations greater than 1000 PPM, PCBs at concentrations greater than 2 PPM (or 50 PPM with Analytical), or any other material classified as hazardous waste by 40 CFR part 261, Subparts C and D (implementing the federal Resource Conservation and Recovery Act), or by any equivalent state hazardous substance classification program. Should Laboratory tests find this waste not in compliance with 40 CFR Part 261, customer (generator) agrees to pay for all disposal costs incurred.								
SIGNED X [Signature]						DATE: 3-4-10		

INCOMING LEDGER BY DRIVER - Detail

From 03/04/10 To 03/12/10

PAGE: 1 of 1

CUSTID	DATE	GENID	GEN. NAME	QTY	UNIT	ITEM	H20% NETGAL	RECTKT #	PRICE	TOTAL\$	COMMENT	APAR
96	03/05/10	22301	Sean New Company	2	Each	Barrel - Empty		4100305001	\$0.00	\$0.00		NC
** Mike Miller			TOTAL GROSS	2	Each	AVERAGE H20%	0 %	TOTAL NET	0	Each	TOTAL	\$0.00
96	03/04/10	3747	Joels Garage	4	Brl.	Ethylene Glycol	50	4100304001	\$25.00	\$100.00		AR
96	03/05/10	22184	Lane County-Glenwood Cer	55	Brl.	Ethylene Glycol		4100305001	\$0.50	\$27.50		AR
96	03/05/10	16541	Action Automotive	1	Brl.	Ethylene Glycol	50	4100305001	\$0.00	\$0.00	exchange program	NC
96	03/05/10	13348	LHM Hydro	1	Brl.	Ethylene Glycol		4100305001	\$0.00	\$0.00		NC
** Mike Miller			TOTAL GROSS	61	Brl.	AVERAGE H20%	25 %	TOTAL NET	0	Brl.	TOTAL	\$127.50
96	03/04/10	3747	Joels Garage	1	Brl.	Oil Filters	0	4100304001	\$0.00	\$0.00		NC
96	03/04/10	22162	Lane County Vida Transfer	1	Brl.	Oil Filters		4100304001	\$50.00	\$50.00		AR
96	03/04/10	5010	Sheppard Motors	1	Brl.	Oil Filters	0	4100304001	\$50.00	\$50.00		AR
96	03/05/10	13348	LHM Hydro	1	Brl.	Oil Filters	0	4100305001	\$0.00	\$0.00		NC
** Mike Miller			TOTAL GROSS	4	Brl.	AVERAGE H20%	0 %	TOTAL NET	0	Brl.	TOTAL	\$100.00
96	03/05/10	191	Jerry Brown Co	1	Hrs.	Truck Time - Gear		4100305001	\$85.00	\$85.00		AR
96	03/05/10	139	Creswell Airport	1	Hrs.	Truck Time - Gear		4100305001	\$65.00	\$65.00		AR
96	03/05/10	13571	Angell-Flight Asphalt	1	Hrs.	Truck Time - Gear		4100305001	\$65.00	\$65.00		AR
** Mike Miller			TOTAL GROSS	3	Hrs.	AVERAGE H20%	0 %	TOTAL NET	0	Hrs.	TOTAL	\$215.00
96	03/04/10	22162	Lane County Vida Transfer	200	Gal.	Used Oil	200	4100304001	-\$0.23	-\$46.00		AP
96	03/04/10	5010	Sheppard Motors	300	Gal.	Used Oil	0	300 4100304001	-\$0.09	-\$27.00		AP
96	03/04/10	3747	Joels Garage	500	Gal.	Used Oil	0	500 4100304001	\$0.00	\$0.00		NC
96	03/04/10	11254	Pacific Recycling	1000	Gal.	Used Oil	1000	4100304001	\$0.00	\$0.00		NC
96	03/05/10	139	Creswell Airport	125	Gal.	Used Oil	5	125 4100305001	\$0.00	\$0.00		NC
96	03/05/10	22237	Lane County-LowPass Trar	150	Gal.	Used Oil	5	150 4100305001	-\$0.23	-\$34.50		AP
96	03/05/10	191	Jerry Brown Co	900	Gal.	Used Oil		900 4100305001	\$0.00	\$0.00		NC
96	03/05/10	13348	LHM Hydro	250	Gal.	Used Oil		250 4100305001	\$0.00	\$0.00		NC
96	03/05/10	22184	Lane County-Glenwood Cer	550	Gal.	Used Oil		550 4100305001	-\$0.23	-\$126.50		AP
96	03/05/10	13571	Angell-Flight Asphalt	75	Gal.	Used Oil		75 4100305001	\$0.00	\$0.00		NC
** Mike Miller			TOTAL GROSS	4050	Gal.	AVERAGE H20%	1 %	TOTAL NET	4050	Gal.	TOTAL	-\$234.00
**DRIVER NAME: Mike Miller									Total Net \$ for Mike Miller		\$208.50	

END OF REPORT

RUN DATE: 03/12/10 03:54 PM